m/21/004



MAY 2 1 2002

DIVISION OF OIL, GAS AND MINING



May 16, 2002

D. Wayne Hedburg Department of Natural Resources Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801

RE: Update on waste rock pile reclamation; Escalante Silver Mine, UDOGM file no. M/021/004

Dear Mr. Hedburg:

We have elected to reclaim the waste rock pile in two phases, since our contractor has another project in the area. The pile will be rough graded to the required slopes before the end of June 2002. Topsoiling and re-seeding will be done in the fall to take advantage of any winter precipitation.

The contractor will provide us with an "as-built" of the rough grading. We will forward you a copy for your files if you want one.

If you have any questions, please contact me at (208) 769-4135 or e-mail: <u>cgypton@hecla-mining.com</u>.

Sincerely,

Chris Gypton
Project Manager